Indicate the type of approval being request by checking the appropriate submission category below:

Authority for New Exemption: Reapplication for Exemption Authority:

Describe warrant’s business purpose (what will it be used for) and why efficiency or economy is better served by the agency issuing the warrant or by waiving prior submission requirements. Also include an estimate of expected annual dollar activity and number of warrants to be issued: (if additional space required, please attach continuation sheet).

Prepare and attach a report which outlines agency’s compliance with the eleven conditions and standards in NMAC 2.20.6, *Authority to Issue Warrants* for the calendar year just ending. The report’s format and content should be consistent with that presented on the following pages.

Agency Submission and Request Authorization Summary

Business Unit Fund Code

Department

Fiscal Year Authority Requested for: 2023 (July 1, 2022 – June 30, 2023)

Signed by Requesting Authority:

Date:

For DFA Use Only

(Cabinet Secretary/Agency Director)

Endorsed by: Cash Control Unit Representative

Endorsed by: State Controller

Approved by: DFA Cabinet Secretary

Date: Date: Date:

DFA/FCD (4/2014)

|  |  |  |
| --- | --- | --- |
| **SECTION NUMBER** | **STEP** | **DESCRIPTION** |
| **1** | **Internal Control Structure** | |
|  | 1 | How does management convey that integrity cannot be compromised? |
|  | 2 | How does management convey a positive control environment whereby there is an attitude of control consciousness throughout the organization? |
|  | 3 | How does management consider the potential effects of taking unusual risks? |
|  | 4 | Explain how the organization maintains an up-to-date policies and procedures manual. |
|  | 5 | Explain how the organization documents the internal control structure. |
|  | 6 | Explain how management assesses risk and implements controls to mitigate risk to a reasonable level. |
|  | 7 | Explain the selection criteria for determining personnel authorized to sign warrants/checks, how the authorized signature list is communicated and confirmed by the bank and how the authorized signature list is maintained within your agency and the bank. |
|  | 8 | Explain how management ensures that information that adequately supports all entries in the state general ledger is maintained. |
|  | | |
| **2** | **Transactions are Recorded Daily in the Accounting Records** | |
|  | 1 | Explain how pertinent supporting documents are distributed to the assigned accounts receivable, accounts payable, and general ledger personnel. |
|  | 2 | Explain the supervisory review process to ensure that transactions are recorded timely. |
|  | | |
| **3** | **Transactions are Properly Classified in the Agency’s Records** | |
|  | 1 | Explain how staff applies U.S. Generally Accepted Accounting Principles (GAAP) when classifying transactions. |
|  | 2 | Explain the supervisory review process to ensure the correct use of GAAP when classifying transactions. |
|  | 3 | Explain the review process to determine if transactions have been recorded correctly. |
|  | | |
| **4** | **Reconciliation of Cash Account Records** | |
|  | 1 | Explain the review process to ensure that cash transactions have been properly recorded. |
|  | 2 | Explain how staff follows up on existing or current cash reconciling items. |

|  |  |  |
| --- | --- | --- |
| **SECTION NUMBER** | **STEP** | **DESCRIPTION** |
| **5** | **Transactions Comply with Federal and State Law** | |
|  | 1 | Explain what process management has implemented to ensure compliance with laws, contracts, and grant agreements pertinent to the organization’s activities. |
|  | 2 | Explain the training process for new management as it relates to understanding laws, contracts, and grant agreements pertinent to the organization. |
|  | 3 | Explain the training process for staff (both new and existing) as it relates to understanding laws, contracts, and grant agreements pertinent to the organization. |
|  | | |
| **6** | **Expenditures are for Public Benefit or Purpose** | |
|  | 1 | Explain the review process to ensure that expenditures are for public benefit, consistent with appropriation and expenditure authority, and are necessary. |
|  | 2 | Explain the review process to ensure that all expenditures have been properly recognized. |
|  | | |
| **7** | **Accounting Systems Record Transactions Timely, Completely and Accurately** | |
|  | 1 | Explain the review process to ensure subsidiary systems have been reconciled to the general ledger. |
|  | 2 | Explain how management determines that transactions accurately reflect the result of the organization for each accounting period i.e., timeliness, correctness, and completeness. |
|  | 3 | Explain how staff is trained to ensure that transactions are recorded timely, accurately, and completely. |
|  | | |
| **8** | **Payments to Vendors/Payee are Accurate and Timely** | |
|  | 1 | Explain the authorization process for payments to vendors/payee |
|  | 2 | Explain the process to certify goods and services receipt |
|  | 3 | Explain how management conducts procurement code training for its staff or ensures that its staff is properly trained. |
|  | | |
| **9** | **Information Requested by the Financial Control Division is Timely and Accurate** | |
|  | 1 | Explain how the condition or standard has been met. |

|  |  |  |
| --- | --- | --- |
| **SECTION NUMBER** | **STEP** | **DESCRIPTION** |
| **10** | **Reporting of Financial Information to Management and Oversight Agencies is Timely, Complete, and**  **Accurate** | |
|  | 1 | Explain how the condition or standard has been met. |
|  | | |
| **11** | **Audit of Agency Financial Statements is Completed by Established Deadline** | |
|  | 1 | Explain how the condition or standard has been met. |
|  | | |